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UNCLAS SECTION 01 OF 02 BAGHDAD 003187

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SUBJECT: GOI AND USG FURTHER DIALOGUE ON CHAPTER VII ISSUES

11. (SBU) Summary: On December 9, Ministry of Foreign Affairs Senior Policy Adviser, Ambassador Fareed Yasseen, and MFA Policy Planner Sarhad Fatah, engaged in a video-conference with a six-member pre-JCC technical group at the Department of State in Washington and the U.S. Mission to the United Nations in New York. The videoconference was also attended in Baghdad by a Senior Advisor at the NSC, as well as U.S. Embassy Baghdad's Political Counselor, Deputy Political Counselor, Embassy legal staff, and Poloff. Due to the cancellation of the pre-JCC delegation's visit as a result of travel complications, the videoconference afforded the opportunity to engage the MFA on a variety of Chapter VII-related issues. The discussion highlighted the urgency of a DFI extension letter, the need for the GOI to engage the Government of Russia to overcome resistance to an extension, and progress in the GOI on ratification of the Additional Protocol. End summary.

## OIL FOR FOOD AND AN EXTENSION OF DEVELOPMENT FUND FOR IRAQ

- ¶2. (SBU) Purnell Delly, Director of NEA/I, started the videoconference by conveying condolences to Ambassador Yasseen for the losses suffered during the bombings in central Baghdad the day before. He proceeded to introduce the members of the Chapter VII technical group in Washington and New York, which included NEA/I Deputy Director, Lisa Kenna, L/AN Attorney-Advisor, Jeremy Sharpe, USUN Deputy Political Counselor, Ellen Germain, IO expert, Bill Haldeman, ISN expert, Jody Daniel. Senior Advisor of NEA/I, Kevin Taecker, who also joined the videoconference, then gave an overview of the challenges facing the GOI's request for an extension of the Development Fund for Iraq (DFI). Taecker stressed that an extension of the DFI is not a "foregone conclusion", and will require the MFA to send a letter requesting an extension that includes language about settling American claims for victims of the first Gulf War ideally as the payment of Oil for Food claims.
- 13. (SBU) Ambassador Yasseen commented that the GOI's letter to the UN Security Council requesting a DFI extension will take USG guidance into account and that the GOI is considering sending a delegation to the UN to advocate for the extension. He also stressed that a shorter-term DFI extension is not desirable, as the GOI unsuccessfully attempted to acquire a three-year extension in 2008, and would like to obtain a 12-month extension this year. The Ambassador also shared that an interministerial committee at the deputy minister level had met the day before at the MFA to discuss OFF and other Chapter VII-related issues. committee discussed options regarding the payment of outstanding OFF claims, and concluded that an allocation of unencumbered funds to resolve some of the claims should be made this year, with a commitment of an end date to resolve the remaining claims. Yasseen emphasized that claims will be resolved in the standard manner, including the use of bills and other documents.

(SBU) In response to the pre-JCC group's suggestion that the resolution of OFF contracts and American claims is necessary in order to secure a DFI extension, Ambassador Yasseen inquired whether the outstanding claims must be resolved by the end of 2009 in order to secure the DFI extension. USUN representative Germain responded that Russia is particularly resistant to the idea of an extension to the DFI due to its unpaid OFF claims, and Russia and other member states may push for a three to six month extension in lieu of Ostates may push for a three to six month extension in lieu of the one-year extension the GOI is seeking. She stated that USUN strongly urges the GOI to talk with the Russians to ascertain what conditions they are willing to accept regarding the OFF claims, as the Russians have expressed that they want the claims paid off in their entirety. USUN representative Germain said that the Russians are seeking an "iron-clad" commitment that contracts will be paid off in two to three months, rather than a year, and that GOI engagement with Russia will be necessary to get some clarity on the time sensitivity of resolving the claims. Ambassador Yasseen agreed that the GOI should engage the Russians more on this issue, and stated that GOI officials may seek to meet with Russian officials during an upcoming meeting in Manama.

## MFA ON UNAMI, ASSET FREEZE, AND CULTURAL PROTECTION

¶5. (SBU) IO expert Haldeman provided an overview of and solicited Ambassador Yasseen's thoughts on UN resolutions 1483, 1518, and 1546, which treat UNAMI, the freeze and return of Saddam-era assets, and the prohibition and sale of cultural property, respectively. Yasseen affirmed that

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UNAMI's effectiveness in resolving challenges with establishing Iraqi elections, disputed internal boundaries, and refugees issues is widely noted by the GOI. He elaborated that as Iraq's security situation improves and conditions normalize, UNAMI should relax its rules of engagement, severely restricted since the 2003 explosion that destroyed its building and killed then SRSG Sergio Vieira de Mello and others.

¶6. (SBU) Yasseen further commented in a more limited manner on resolutions 1518 and 1546 by stating that the GOI should activate a committee to consider the implications of these resolutions on the curtailment of terrorist activities originating in neighboring countries, but that the conventional arms ban is largely a Ministry of Defense issue. Speaking off the cuff, he said the ban should be lifted. He added that there would be GOI consensus that clauses of resolution 1483 pertaining to cultural property should remain in place.

## WEAPONS OF MASS DESTRUCTION

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- 17. (SBU) ISN's Daniel provided an overview of UNSC 687, dealing with Weapons of Mass Destruction. He specified that while the Additional Protocol is not mentioned in the WMD-related UNSC resolutions, it is an important issue for the IAEA, and that the importance of ratifying the Additional Protocol cannot be overstated. Ambassador Yasseen responded that ratification of the Additional Protocol is "in the pipeline", and has been approved by the Council of Ministers and is on the Council of Representatives' agenda.
- 18. (SBU) Daniel further outlined a second issue, the need for the GOI to write a letter to the UNSC outlining a commitment to nonproliferation and steps the GOI intends to take towards nonproliferation. USUN representative Germain added that P5 members have expressed support for lifting WMD restrictions in Iraq, but that there is a lot of focus by Security Council members on ensuring that Iraq passes the

Additional Protocol. In response to a question from Ambassador Yasseen about whether the attitudes of the UN and the IAEA are similar on this issue, Germain stated that they are fairly consistent.